

IN THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF MARYLAND, NORTHERN DIVISION

*

AMERICAN MENSA, LTD.,

*

Plaintiff,

*

v.

CIVIL NO.: WDQ-07-3283

*

INPHARMATICA, LTD., *et al.*,

*

Defendants.

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* * * * *

MEMORANDUM OPINION

American Mensa, Ltd. ("Mensa") sued Inpharmatica, Ltd. ("Inpharmatica") and BioFocus DPI, Ltd. ("BioFocus") (collectively the "Defendants") for trademark violations of the Lanham Act¹ and Maryland common law. Pending are the Defendants' motion for summary judgment and Mensa's motion to amend the scheduling order. For the following reasons, the Defendants' motion will be granted in part and denied in part, and Mensa's motion will be granted.

I. Background

Mensa is a non-profit organization founded in 1960 whose members have scored within the top two percent of the general

¹ Specifically, Mensa claims trademark infringement under 15 U.S.C. § 1114(1), unfair competition under 15 U.S.C. § 1125(a)(1)(A), and dilution under 15 U.S.C. § 1125(c).

population on intelligence tests.² Mensa's primary purpose is to provide services and goods to its members, known as "Mensans." Mensa administers intelligence tests, encourages and publishes research on intelligence, and grants scholarships. Mensa publishes research through its trademark, MENSA (the "Mensa Mark").

A. Mensa's Trademarks

On October 17, 1967, the U.S. Patent and Trademark Office ("PTO") granted trademark number 837,288 to Mensa British International Membership Association for use of the Mensa Mark to conduct meetings, administer intelligence tests, and engage in research. The trademark was assigned to Mensa in February 1983. On July 18, 1972, the PTO granted trademark number 938,219 to Intermensa Limited for use of the Mensa Mark to administer intelligence tests and organize research. It was assigned to Mensa in February 1983.

On August 12, 1986, the PTO granted trademark number 1,405,382 to Mensa for use of the Mensa Mark to indicate membership in Mensa. On July 14, 1988, the PTO granted trademark number 1,492,188 to Mensa for use of the Mensa Mark to publish magazines and books about Mensa's activities. On January 2, 1992, the PTO granted trademark 1,789,822 to Mensa for use of the

² Plaintiff American Mensa, Ltd. is the United States affiliate of a group of affiliated Mensa organizations throughout the world.

trademark MENSA SELECT for intellectually stimulating games. On August 30, 2005, the PTO granted trademark number 2,988,739 to Mensa for use of the Mensa Mark for clothing and accessories sales on the Internet and through mail order. On May 28, 2008, Mensa filed a trademark application³ for use of the mark MENSA PROCESS in business consultation services. Mensa's licensee has used Mensa Process for over four years.

Mensa's primary revenue is through its membership dues, and it spends little money on advertising and marketing. Mensa has allowed third parties to use the Mensa Mark for their sale of goods and services.⁴

B. Use of the ADMENSA Trademark

Inpharmatica, a United Kingdom corporation, conducts research to discover and optimize new pharmaceutical drugs. Inpharmatica owns the rights to the ADMENSA⁵ trademark. It uses the ADMENSA mark to promote its services as "intelligent." Inpharmatica has never disclaimed a relationship with Mensa.

In December 2006, Inpharmatica and Galapagos NV, a Belgian

³ U.S. Trademark Application Serial No. 76/690,066.

⁴ Some of these goods and services include: computers, investment funds, automobiles, board games, quiz shows, books, puzzles, magazines, and fast food restaurants.

⁵ The parties dispute the stylization of the mark, so for purposes of this opinion, stylization is only relevant where noted. Mensa states that the mark was "AdMensa" for years until the Defendants changed it to "ADMEnsa" after Mensa complained.

company, merged. As a result, Inpharmatica became part of BioFocus, another United Kingdom corporation, and joined Galapagos's drug discovery business. Using the ADMENSA mark, BioFocus began selling in the United States the goods and services Inpharmatica had been selling abroad. In June 2004, Inpharmatica applied for use of the ADMENSA mark for a variety of services.⁶ The mark was going to be used for drug research, notably in pharmacokinetic and ADME (adsorption, distribution, metabolism, elimination)⁷ analysis, modeling properties "in silico," and computer-aided molecular design and compound selection. The application was published for opposition and Mensa asked Inpharmatica to withdraw its application because the mark would damage Mensa; Inpharmatica refused. On November 22, 2006, Mensa filed an opposition to Inpharmatica's application with the PTO's Trademark Trial and Appeal Board.

⁶ Services listed in the application were: (1) computer hardware and software for use in chemical modeling, molecular design, chemical data analysis, and drug discovery information systems; (2) provision of access to databases and computers for the purpose of analysis of information; (3) experimental laboratory processes, including those relating to solubility, metabolic stability, analysis of chemical compounds, and provision of information relating to biology, pharmacokinetics, and drug development. Second Amend. Compl. at ¶ 36.

⁷ In their motion for summary judgment, the Defendants state that ADME stands for adsorption, distribution, metabolism, and elimination. Defs. Mot. S.J. at 2. Later in their motion, however, they state that it stands for absorption, distribution, metabolism, and excretion. *Id.* at 23. For the purposes of this opinion, the Court will refer to the former meaning, though it passes no judgment on the actual meaning.

During discovery in the PTO proceeding, Mensa learned that Inpharmatica had begun using the ADMENSA mark in the U.S. On December 6, 2007, Mensa filed this suit seeking an injunction preventing the Defendants from using the ADMENSA mark, and forcing the Defendants to destroy their goods and materials bearing the mark. Mensa also sought (1) to enjoin the Defendants from using the websites that contained the mark, (2) payment of the Defendants' profits derived from the mark, and (3) punitive damages. On January 25, 2008, Mensa amended its Complaint. On February 11, 2008, the Defendants counterclaimed seeking cancellation of Mensa's marks because Mensa is only a licensee of the marks, and because Mensa had abandoned its rights because it had not enforced its rights against third-party use of the marks.

On July 25, 2008, Mensa filed a Second Amended Complaint. On August 8, 2008, the Defendants filed an amended counterclaim. During discovery, Mensa voluntarily cancelled its two registrations in MENSA PROCESS, which were involved in this dispute. On August 25, 2008, the Defendants moved for summary judgment on Mensa's claims.

II. Analysis

A. Standard of Review

Under Rule 56(c), summary judgment is appropriate when there is no genuine issue of material fact, and the moving party is entitled to judgment as a matter of law. *Celotex Corp. v.*

Catrett, 477 U.S. 317, 322 (1986). A dispute about a material fact is genuine "if the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

The Court must view the facts and reasonable inferences drawn therefrom "in the light most favorable to the party opposing the motion." *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986) (quoting *United States v. Diebold, Inc.*, 369 U.S. 654, 655 (1962) (per curiam)). The opposing party, however, must produce evidence upon which a reasonable factfinder could rely. *Celotex*, 477 U.S. at 324. A mere "scintilla" of evidence is insufficient to preclude summary judgment. *Anderson*, 477 U.S. at 252.

B. Trademark Infringement and Unfair Competition

In Counts I and IV, Mensa alleges that the Defendants have infringed its trademark in violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1), and Maryland common law, by using "a colorable imitation" of the Mensa Mark that is likely to confuse consumers. In Count II, Mensa claims that the Defendants unfairly competed with it in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A). Infringement cases under Maryland law and the Lanham Act, as well as Lanham Act unfair competition claims, are analyzed under the same framework. *Synergistic Intern., LLC v. Korman*, 470 F.3d 162, 170 (4th Cir.

2006); *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Virginia, Inc.*, 43 F.3d 922, 930 (4th Cir. 1995); *Cmty. First Bank v. Cmty. Banks*, 360 F. Supp. 2d 716, 722 (D. Md. 2005); *Sterling Acceptance Corp. v. Tommark, Inc.*, 227 F. Supp. 2d 454, 460 (D. Md. 2002). Thus, the Court considers the claims together.

Section 32(1) of the Lanham Act prohibits the use in commerce of a "reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale . . . or advertising of any goods or services . . . [that] is likely to cause confusion, or . . . mistake." § 1114(1). To prove trademark infringement or unfair competition, Mensa must show that (1) it owns a valid trademark; (2) the Defendants use a colorable imitation of the mark in commerce without Mensa's consent; and (3) such use is likely to cause confusion. *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 259 (4th Cir. 2007). The Defendants contest only the third element in their summary judgment motion.

A trademark infringes the holder's rights "if it is likely to confuse an ordinary consumer as to the source or sponsorship of the goods." *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 366 (4th Cir. 2001) (quoting *Anheuser-Busch, Inc. v. L & L Wings, Inc.*, 962 F.2d 316, 318 (4th Cir. 1992)) (internal quotations omitted). The Court examines how the parties use the marks to determine the likelihood of confusion.

CareFirst of Maryland, Inc. v. First Care, P.C., 434 F.3d 263, 267 (4th Cir. 2006). Whether a likelihood of confusion exists is inherently a factual issue, and "summary judgment is the exception." *Nat'l Fed'n of the Blind, Inc. v. Loompanics Enters. Inc.*, 936 F. Supp. 1232, 1241 (D. Md. 1996). But, "where an inference of probable consumer confusion can not reasonably be drawn . . . summary judgment is appropriate." *Id.* at 1241-42; *Sterling Acceptance*, 227 F. Supp. 2d at 461.

Whether a mark is likely to cause confusion depends on several factors: (1) the strength or distinctiveness of the plaintiff's mark; (2) the similarity of the marks; (3) the similarity of the goods or services the marks represent; (4) the similarity of the facilities the parties use in their business; (5) the similarity of the parties' advertising; (6) the defendant's intent; and (7) actual confusion. *Louis Vuitton*, 507 F.3d at 259-60. Sometimes courts also review the quality of the defendant's product and the sophistication of their consumers. *Sara Lee Corp. v. Kayser-Roth Corp.*, 81 F.3d 455, 463-64 (4th Cir. 1996). This determination is done on a case-by-case basis, and the Court need not weigh each factor equally. *Anheuser-Busch*, 962 F.2d at 320. Indeed, actual confusion is often the most important factor in the inquiry. *Lyons P'ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 804 (4th Cir. 2001); *Giant Brands, Inc. v. Giant Eagle, Inc.*, 228 F. Supp. 2d 646, 652 (D.

Md. 2002).

1. Strength of the Mensa Mark

"[T]he first and paramount factor in assessing the likelihood of confusion is the distinctiveness of the senior user's mark." *IDV North America, Inc. v. S&M Brands, Inc.*, 26 F. Supp. 2d 815, 833 (E.D. Va. 1998). "The strength of a mark is the degree to which a consumer in the relevant population, upon encountering the mark, would associate the mark with a unique source." *CareFirst of Maryland*, 434 F.3d at 269. A strong trademark is rarely used by parties besides the owner, while a weak mark is often used by others. *Id.* at 270. A mark's strength "is evaluated in terms of its conceptual strength and commercial strength." *Id.* at 269 (quoting *GoTo.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1207 (9th Cir. 2000)). Conceptual strength measures a mark's uniqueness, while commercial strength relates to its marketplace recognition. *Sterling Acceptance*, 227 F. Supp. 2d at 461.

a. Conceptual Strength

A trademark's conceptual strength "focuses on the linguistic or graphical peculiarity of the mark." *CareFirst of Maryland*, 434 F.3d at 269. Frequent prior use of a mark's text in other marks--especially in the same field--shows a lack of conceptual strength. *Id.* at 270. Prior use is most important when there are many third-party trademark registrations for the same mark.

Petro Shopping Ctrs., L.P. v. James River Petroleum, Inc., 130 F.3d 88, 93 (4th Cir. 1997). Frequent third-party use shows that the mark has a well recognized meaning, and is thus weak. *Id.* at 94.

The first step is to place a mark on the conceptual strength spectrum.⁸ *Id.* Courts have categorized marks into four classes in increasing order of strength: (1) generic; (2) descriptive; (3) suggestive; and (4) arbitrary. *Lone Star Steakhouse*, 43 F.3d at 933. Arbitrary marks involve terms that do not suggest or describe any ingredient, quality or characteristic of the goods or services they represent. *A.C. Legg Packing Co., Inc. v. Olde Plantation Spice Co., Inc.*, 61 F. Supp. 2d 426, 430 (D. Md. 1999); see *Sara Lee*, 81 F.3d at 464 (examples of arbitrary marks are "Tea Rose" flour, "Camel" cigarettes, and "Apple" computers). A word is descriptive "if it identifies a characteristic or quality of an article or service," and is suggestive "if it suggests rather than describes some characteristic of the goods . . . and requires the consumer to exercise his imagination to reach a conclusion as to the nature of the[] goods." *Lone Star Steakhouse*, 43 F.3d at 934; see *Sara Lee*, 81 F.3d at 464 (an example of a descriptive mark is "5 minute glue," and examples of suggestive marks are "Coppertone," "Orange Crush," and

⁸ The spectrum was first described in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4 (2d Cir. 1976).

"Playboy"). In short, "if the mark imparts information directly, it is descriptive," but if "it stands for an idea which requires some operation of the imagination to connect it with the goods, it is suggestive." *Synergistic Intern., LLC v. Korman*, 470 F.3d 162, 171 (4th Cir. 2006) (*quoting Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1528 (4th Cir. 1984)).

Descriptive marks are protected only with proof of secondary meaning, while suggestive marks are presumptively valid. *Lone Star Steakhouse*, 43 F.3d at 933. Descriptive marks are "narrowly circumscribed in their legal protection" and usually enforced "only against similar marks which are used on virtually identical products." *Pizzeria Uno*, 747 F.2d at 1527 (*quoting 1 GILSON, TRADEMARK PROTECTION AND PRACTICE*, § 2.01, pp. 2-4 (1984)). On the other hand, suggestive marks are protected against the use of the same or a similar mark on even unrelated products that "the public is likely to assume emanate[s] from the trademark owner." *Id.* (*quoting 1 GILSON*, pp. 2-4).

The PTO's determination of whether a mark is descriptive or suggestive is *prima facie* evidence of that classification. *Lone Star Steakhouse*, 43 F.3d at 934. If the PTO does not require proof of secondary meaning, it is assumed that it believed the mark was suggestive. *Petro Stopping Ctrs.*, 130 F.3d at 92. However, a mark's classification is not conclusive, and a suggestive mark may nonetheless be found weak. *Id.* at 93;

Sterling Acceptance, 227 F. Supp. 2d at 462. The mark's strength "ultimately depends on the degree to which the designation is associated by prospective purchasers with a particular source." *Petro Stopping Ctrs.*, 130 F.3d at 92 (quoting *Estee Lauder Inc. v. The Gap, Inc.*, 108 F.3d 1503, 1510 (2d Cir. 1997)). Thus, courts also examine the extent consumers have applied a secondary meaning to the mark. *Id.*

There is no evidence, nor do the Defendants argue, that the PTO required evidence of secondary meaning for the Mensa Mark. Further, the word "mensa" stems from the Latin word meaning table, Def.'s Ex. 26 (Mensa Mark registrations); because Mensa is an organization for individuals with high IQs, the word "mensa" does not denote the nature of the good or service. See, e.g., *A.C. Legg Packing*, 61 F. Supp. 2d at 430 ("OLD PLANTATION" is inherently distinctive because it does not suggest any image of its product, spices); *World Gym Licensing, Ltd. v. Fitness World, Inc.*, 47 F. Supp. 2d 614, 622 (D. Md. 1999) ("WORLD" is an arbitrary mark because it "has no descriptive connotation in the fitness industry"). The Mensa Mark has been registered for use in (1) conducting meetings, administering intelligence tests, and conducting research⁹; (2) indicating membership in a society in which a requirement for membership is a score at or above the

⁹ PTO registration numbers 837,388 (Oct. 17, 1967) and 938,219 (July 18, 1972).

ninety-eighth percentile on an IQ test¹⁰; (3) magazines and books regarding Mensa's activities and other intellectual pursuits¹¹; and (4) clothing, headgear, puzzles and games, among others.¹² Def.'s Ex. 26. MENSA SELECT has been registered for use in board games and manipulative games.¹³ *Id.* The Mensa Mark is arbitrary, and is thus entitled to greater protection.

Moreover, there is a limited number of other trademarks that include "mensa." The Defendants point out that there are 15 other marks that include "mensa." However, some of these marks--such as "HUMENZA" and "MENZACUT"--do not contain the same spelling of "mensa." Further, 15 comparable marks--irrespective of field--is substantially less than the number of marks that courts have held weakened the marks at issue. See *Petro Stopping Ctrs.*, 130 F.3d at 93-94 (mark weak when 117 third-party registrations contained "PETRO," including 63 in the same business, and over 2,700 businesses in the United States use "PETRO" as part of their name); *Sterling Acceptance*, 227 F. Supp. 2d at 462 (mark weak when 18 financial services registrations, and over 350 total registrations, contained "Sterling"); *Estee Lauder*, 108 F.3d at 1511 (70 mark registrations and pending

¹⁰ PTO registration number 1,405,382 (Aug. 12, 1986).

¹¹ PTO registration number 1,492,188 (June 14, 1988).

¹² PTO registration number 2,988,739 (Aug. 30, 2005).

¹³ PTO registration number 1,789,822 (Aug. 24, 1993).

applications including the same term--some in the same field--shows weakness). As a result, the Mensa Mark is conceptually strong.

b. Commercial Strength

Commercial strength considers "the marketplace and asks if in fact a substantial number of present or prospective customers understand the designation when used in connection with a business to refer to a particular . . . business enterprise."

CareFirst of Maryland, 434 F.3d at 269 (quoting *Perini Corp. v. Perini Constr., Inc.*, 915 F.2d 121, 125 (4th Cir. 1990)). The proper inquiry looks at a consumer in the "relevant population." *Synergistic Intern.*, 470 F.3d at 173 (quoting *CareFirst of Maryland*, 434 F.3d at 269). The Court looks at the extent to which consumers have placed a "secondary meaning" on the mark. *Petro Stopping Ctrs.*, 130 F.3d at 93.

Large advertising budgets evidence commercial strength. See *Synergistic Intern.*, 470 F.3d at 174; *Giant Brands*, 228 F. Supp. 2d at 652 (\$40 million spent on advertising and \$10 million on consumer education and programs, coupled with 1.5 million bonus card users and 80% recognition in focus group shows strength); *A.C. Legg Packing*, 61 F. Supp. 2d at 430 (72 years of advertisement in trade magazines and brochures, and on the Internet). Non-advertising publicity through television, radio, and other media can also increase a mark's strength. See *World*

Gym Licensing, 47 F. Supp. 2d at 622 (name and logo featured in movies and on television and radio increases mark's strength). For entities with memberships, a large membership increases its mark's strength. See *Giant Brands*, 228 F. Supp. 2d at 652 (1.5 million bonus card users of grocery store is a factor showing strength); *World Gym Licensing*, 47 F. Supp. 2d at 622 (mark stronger because the business had over 500,000 members).

Mensa's advertising budget is minimal; from 2003-2007, it spent \$7,000-\$22,000 a year on advertising, and \$700-\$10,000 a year on public relations. Def.'s Ex. 9. But it has received considerable attention in the media. For example, from April 2003 to March 2004, Mensa was mentioned 452 times in newspapers, 56 times in magazines, on television 22 times, and on radio 8 times. Def.'s Ex. 11. Mensa has been highlighted in a variety of television shows, movies, newspapers and magazines since 1979.¹⁴ Catherine Barney Dec. ¶¶ 10-23, Sep. 18, 2008. Mensa's membership consists of 45,000-55,000 members. Pamela Donahoo Dec. ¶ 4, Sep. 18, 2008; Def.'s Ex. 16. Although its membership

¹⁴ Mensa has been mentioned in movies such as *You, Me and Dupree* (2006), *A Beautiful Mind* (2001), *Me, Myself and Irene* (2000), and *Contact* (1997). Barney Dec. at ¶ 11. It has been mentioned in television shows such as *The Simpsons*, *The Apprentice*, *Who Wants to Be a Super Millionaire?*, *Test the Nation* 1 and 2. *Id.* at ¶ 10. Cable News Network ("CNN"), *20/20*, *Good Morning America*, *Regis and Kathy Lee*, and *The View* have run stories about Mensa. *Id.* Mensa has also appeared in newspapers including *The Wall Street Journal*, *New York Times*, and *USA Today*, and magazines such as *Readers' Digest*, *Playboy* and *Playgirl*. *Id.* at ¶¶ 12, 14-15, 23.

is large, it is not as big as the memberships that factored towards commercial strength in prior cases.

As noted above, the Mensa Mark is arbitrary and conceptually strong. It is "inherently distinctive" and "receive[s] the greatest protection against infringement." *Sara Lee*, 81 F.3d at 464. Although Mensa has not advertised much and its membership is not particularly large, it has received a substantial amount of media attention. Through this publicity, the general public can identify the Mensa Mark as representing Mensa as a group with members of high intelligence. This factor weighs in Mensa's favor.

2. Similarity of the Marks

Marks are similar if there is a "similarity in appearance and sound which would result in confusion." *Petro Stopping Ctrs.*, 130 F.3d at 94 (quoting *Pizzeria Uno*, 747 F.2d at 1534). The "dominant term"--a distinctive word that has meaning and distinction for the consumer--is given greater weight when evaluating similarity. *Lone Star Steakhouse*, 43 F.3d at 936 ("Lone Star Café" and "Lone Star Grill" are similar because they share the dominant "Lone Star" term, which is printed larger in ads); *Pizzeria Uno*, 747 F.2d at 1534-35 ("Pizzeria Uno" and "Taco Uno" are similar because "Uno" is the dominant word and are printed larger in ads, while the other terms describe the good); *World Gym Licensing*, 47 F. Supp. 2d at 623 ("World" is dominant

term in "World Gym" and "Fitness World" as the other terms merely describe the type of business, and was placed prominently in some advertising and merchandise); *A.C. Legg Packing*, 61 F. Supp. 2d at 430-31 ("Olde Plantation Spice" and "Old Plantation" are nearly identical and contain the same dominant term, "Old Plantation").

To determine if marks are similar, the Court "examine[s] the allegedly infringing use in the context in which it is seen by the ordinary consumer." *CareFirst of Maryland*, 434 F.3d at 271. The Court looks at the actual use of the marks in the marketplace, including their colors and designs. *Id.*; *Petro Stopping Ctrs.*, 130 F.3d at 94 (marks dissimilar because did not contain the same logo or design and were different colors); *World Gym Licensing*, 47 F. Supp. 2d at 623 ("World Gym" and "Fitness World" similar when both designs included a globe); *Sterling Acceptance*, 227 F. Supp. 2d at 462 (mark with triangle, horizontal lines and a dollar symbol with the words "Sterling," "Acceptance," and "Corporation" on separate lines underneath not similar to mark with "Sterling" above, and "Associates" underneath, an anchor logo); but see *A.C. Legg Packaging*, 61 F. Supp. 2d at 431 (mark including a red border "does not detract from the essential similarity of the marks" when the marks were nearly identical).

The Defendants argue that ADMENSA stems from the Latin word

"admensus," meaning to measure out to. Def.'s Ex. 1. However, there is evidence showing that the Defendants never used "admensus" in its literature or advertising or in its daily operations. Matthew Segall Dep. 156-157, June 18, 2008. It is unclear whether the Defendants used the ADMENSA mark to denote its Latin meaning, or to relate to Mensa. Admittedly, the Defendants registered the "Admensa" mark as ADMENSA, without stylization. Def.'s Mot. S.J. at 12. Then, sometime in 2006 or 2007, the Defendants began displaying their mark as "ADMEnsa," with the first four letters capitalized.

The "ad" at the beginning of the ADMENSA mark does not clearly distinguish it from the Mensa Mark. See *Sara Lee*, 81 F.3d at 465 ("L'eggs" and "Leg Looks" are similar because of the latter's first syllable). Naturally, the ADMENSA mark stylized as "Admensa" would resemble the Mensa Mark more closely than "ADMEnsa." The record is also unclear as to the Mensa Mark's general appearance and to what extent the ADMENSA or "ADMEnsa" mark looks like it. On its face, the ADMENSA mark is somewhat similar to the Mensa Mark, especially in its "Admensa" style.

3. Similarity of Mensa's and the Defendants' Services

The third factor is the similarity of the parties' services. *CareFirst of Maryland*, 434 F.3d at 272. When the parties deal in similar goods or services, there is a higher chance of confusion. See *id.* at 465-66 (both parties involved in women's hosiery);

Pizzeria Uno, 747 F.2d at 1535 (Italian restaurant and Mexican fast food restaurant are similar services); *Sterling Acceptance*, 227 F. Supp. 2d at 463 (marine financing competitors provided similar services). If two parties' services are not similar, when viewed in their entirety, it favors a finding of no infringement. See *Petro Stopping Ctrs.*, 130 F.3d at 94-95 (third factor weighed against infringement when sale of fuel was the only similarity between the parties).

The Defendants provide software, tools and research related to compounds and drug discovery. Mensa is an organization for individuals with high intelligence, and whose self-proclaimed main purpose is to serve its members. Pl.'s Opp. at 4. Mensa has stated that its licensees that use the Mensa Mark have done so for, among others, computer sales, investment funds, cars, games, quiz shows, books, and fast food restaurants. *Id.* at 4-5. Mensa argues, however, that many of its members are in health care, and it sponsors colloquia and research in biotech and medical areas. *Id.* at 33-34. Mensa also argues that one if its licensees, the Leveraged Marketing Corporation of America ("LMCA"), has 25% of its business in health care and is a competitor of the Defendants.

Even assuming LMCA competes with the Defendants, the services are not sufficiently similar. LMCA is only a licensee of Mensa's, and only a portion of LMCA's business competes with

the Defendants. This is not a situation involving two competitors selling the same product. Rather, the Defendants do pharmaceutical research and development, while Mensa is a club for individuals that licenses its mark to third parties to sell various goods. Viewing the parties' similarity in their entirety, this factor favors the Defendants.

4. The Defendants' Intent¹⁵

Bad faith is not required to prove trademark infringement. *A.C. Legg Packaging*, 61 F. Supp. 2d at 431. However, evidence of bad faith strongly indicates a likelihood of confusion. *Sterling Acceptance*, 227 F. Supp. 2d at 463. If the infringer intended to confuse the public, this shows a likelihood of confusion because "one intending to profit from another's reputation generally attempts to make his . . . advertisements . . . resemble the other's so as . . . to induce confusion." *Pizzeria Uno*, 747 F.2d at 1535. Blind disregard for others' trademark rights can evidence bad faith. *A.C. Legg Packaging*, 61 F. Supp. 2d at 431-32. This includes failing to consult a trademark attorney or conduct a trademark search. *Id.* On the other hand, a party's

¹⁵ The parties and the Court agree that the fourth factor--similarity of the parties' facilities--is not relevant to this analysis; thus, the Court will not discuss it. See *Pizzeria Uno*, 747 F.2d at 1527 (not all factors are necessarily relevant in each case). Similarly, the parties devote very little of their briefs to the fifth factor: similarity in advertising. Given the nature of the services provided by the parties, the Court agrees that advertising is less relevant in this analysis, and will thus not discuss it.

failure to complain about possible infringement for an extended period of time could preclude a finding of bad faith because it allows the infringer to believe his use is permissible. *World Gym Licensing*, 47 F. Supp. 2d at 623-24.

Inpharmatica stated in an interrogatory that it did not know of Mensa until commencement of this suit. Def.'s Ex. 34, Int. 10. It stated that only one of its employees knew of Mensa, but even she did know not of the Mensa Mark. *Id.* Inpharmatica stated that it chose the ADMENSA mark because it incorporated ADME, which the Defendants assert stands for adsorption, distribution, metabolism, and elimination. *Id.* at Int. 11; Def.'s Mot. S.J. at 23. Inpharmatica also stated that it wanted to choose a mark that was, or sounded, Latin. Def.'s Ex. 34, Int. 11. Ultimately, Inpharmatica stated, it chose the ADMENSA mark because it sounded Latin and was similar to the Latin verb "admensus," which means "to measure out to." *Id.*

Perhaps significantly, Inpharmatica did not seek the opinion of counsel before using the ADMENSA mark. Answer to Second Amend. Compl. at ¶ 33. There is evidence showing that a graphic design company for whom an Inpharmatica representative's brother works created a logo for "AdMensa," with a capitalized "M," thus placing importance on the "Mensa" aspect of the name. Clifton E. McCann Dec., Ex. 15, Sep. 18, 2008. Also, in an email between Inpharmatica representatives, one representative states that the

ADMENSA mark will set it apart from competitors because of "the mensa bit." Barbara L. Waite Dec., Ex. F, Sep. 18, 2008. Another Inpharmatica representative testified that its marketing related its services to intelligence. *Id.* at Ex. A, Segall Dep. 141-142. As a result, there is a genuine dispute as to whether the Defendants acted in bad faith in its use of the ADMENSA mark.

5. Actual Confusion

Actual confusion by consumers is "often paramount" in determining the likelihood of confusion. *CareFirst of Maryland*, 434 F.3d at 268; *Sterling Acceptance*, 227 F. Supp. 2d at 464. Indeed, evidence of actual confusion is "most compelling" in a likelihood of confusion analysis. *Lone Star Steakhouse*, 43 F.3d at 937. Although actual confusion is not required, its absence creates a strong inference against confusion. *Louis Vuitton*, 507 F.3d at 263; *CareFirst of Maryland*, 434 F.3d at 269. Surveys and anecdotal evidence--such as employee testimony of day-to-day confusion--are both considered in analyzing actual confusion. *World Gym Licensing*, 47 F. Supp. 2d at 624.

The evidence must show actual and substantial, not merely *de minimis*, confusion. *CareFirst of Maryland*, 434 F.3d at 268 (two percent of survey respondents indicated confusion); see *Sterling Acceptance*, 227 F. Supp. 2d at 465 (no actual confusion when plaintiff provided 10 instances of confusion in six years of business); but see *Resorts of Pinehurst, Inc. v. Pinehurst Nat.*

Corp., 148 F.3d 417, 422-23 (4th Cir. 1998) (actual confusion existed when the defendant received numerous phone calls each week from people seeking the plaintiff, received shipments intended for the plaintiff, and plaintiff's survey showed substantial confusion); *World Gym Licensing*, 47 F. Supp. 2d at 624 (defendant's employee told plaintiff's private investigator that the two companies are mistaken often).

Indeed, the failure to provide more than a few instances of actual confusion "creates a presumption against likelihood of confusion in the future." *Petro Stopping Ctrs.*, 130 F.3d at 95 (quoting *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 263 (5th Cir. 1980)). As a guideline, the Fourth Circuit has stated that "evidence clearly favors the defendant when it demonstrates a level of confusion much below ten percent." *Sara Lee*, 81 F.3d at 467 n.15.

In its opposition, Mensa states that Inpharmatica only marketed and sold its product "to a small, targeted group of potential customers," and thus there is less opportunity for confusion. Pl.'s Opp. at 39. Mensa has not provided surveys or other evidence of confusion, but points only to the testimony of an Inpharmatica representative who stated that a pharmaceutical company customer once noted that ADMENSA included the word "mensa." Segall Dep. 168-169. Mensa contends that others in the pharmaceutical field will make the same association. Pl.'s Opp.

at 39. This evidence falls woefully short of showing actual confusion among consumers. At best, it shows that some of Inpharmatica's consumers draw a similarity between the names. It fails to show any actual confusion as to whether Mensa and Inpharmatica are linked. This factor strongly favors the Defendants.

6. Sophistication of Consumers

Although considered less frequently, the sophistication of the usual consumers of the good or service is also a factor. *Sara Lee*, 81 F.3d at 467; *Perini*, 915 F.2d at 127. Buyer sophistication is generally only a "key factor when the relevant market is not the public at-large." *Sara Lee*, 81 F.3d at 467. "[I]n a market with extremely sophisticated buyers, the likelihood of consumer confusion cannot be presumed" by similarity in trade names. *Id.* (quoting *Perini*, 915 F.2d at 128).

Inpharmatica's customers are primarily the research and development departments of pharmaceutical and biotech companies. Def.'s Ex. 34, Int. 6. Its customer companies' representatives are almost always highly educated. *Id.* Mensa does not dispute this. Likewise, Mensa is a society for highly intelligent individuals. Its members and people interested in the organization are generally sophisticated. Though it is given less weight than other factors, the sophistication of

Inpharmatica's consumers weighs against confusion and in the Defendants' favor.

In sum, the Mensa Mark is strong. However, the parties' services are not related, as Mensa is an organization for intelligent individuals, and the Defendants are in pharmaceutical research. Mensa's support of scientific colloquia and some research does not make it sufficiently similar to the Defendants. Mensa has provided no evidence of actual confusion. And, the relevant consumers are generally highly sophisticated. There is a genuine dispute about the aesthetic similarity of the marks, as well as the Defendants' intent in creating the ADMENSA mark. Although Mensa's inability to show actual confusion weighs strongly against infringement, it is not required. Viewing the facts in Mensa's favor, summary judgment will be denied on its Lanham Act infringement and unfair competition claims and its Maryland common law infringement claim.

C. Dilution of Trademark

In Count III, Mensa claims that the Defendants diluted the Mensa Mark under the Lanham Act, 15 U.S.C. § 1125(c).¹⁶ That

¹⁶ On October 6, 2006, the Trademark Dilution Revision Act ("TDRA") was enacted and it amended the Lanham Act. *Argus Research Group, Inc. v. Argus Media, Inc.*, 562 F. Supp. 2d 260, 281 (D. Conn. 2008). The TDRA amended the Federal Trademark Dilution Act of 1995 ("FTDA"), which had originally added a dilution claim to the Lanham Act. *Moseley v. V. Secret Catalogue, Inc.*, 537 U.S. 418, 420-21 (2003); *Louis Vuitton*, 507 F.3d at 264 n.2. Congress enacted the TDRA essentially to overrule *Moseley*, which held that the FTDA "required proof of

section provides that

the owner of a famous mark that is distinctive . . . shall be entitled to an injunction against another person who . . . [uses] a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of . . . actual or likely confusion, of competition, or of actual economic injury.

§ 1125(c)(1). Dilution by blurring occurs when "the similarity between a mark or trade name and a famous mark . . . impairs the distinctiveness of the famous mark." *Id.* § 1125(c)(2)(B). Distinctiveness "refers to the ability of the famous mark uniquely to identify a single source and thus maintain its selling power." *Louis Vuitton*, 507 F.3d at 265. Dilution by tarnishment is "association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark." § 1125(c)(2)(c). The plaintiff in a dilution claim "need not show actual or likely confusion, the presence of competition, or actual economic injury." *Id.* § 1125(c)(1); *Louis Vuitton*, 507 F.3d at 265.

Dilution claims are reserved for a "select class of marks" that have "such powerful consumer associations that even non-competing uses can impinge on their value." *Bd. of Regents, Univ. of Texas Sys. v. KST Elec., Ltd.*, 550 F. Supp. 2d 657, 674 (W.D. Tex. 2008); see *Washington Speakers Bureau, Inc. v. Leading*

actual dilution and actual economic harm." *Louis Vuitton*, 507 F.3d at 264 n.2. As a result, only a likelihood of dilution must be shown. *Id.*; see § 1125(c)(1).

Auths., Inc., 33 F. Supp. 2d 488, 502 (E.D. Va. 1999) (the FTDA protects "truly prominent and renowned" marks) (*quoting I.P. Lund Trading v. Kohler Co.*, 163 F.3d 27, 45 (1st Cir. 1998)). "One of the major purposes of the TDRA was to restrict dilution causes of action to those few truly famous marks like Budweiser beer." *KST Elec.*, 550 F. Supp. 2d at 679.

To be famous for dilution purposes, a mark must be more distinctive and stronger than that required in an infringement claim. *See Washington Speakers Bureau*, 33 F. Supp. 2d at 502; *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 875 (9th Cir. 1999) (noting that "[i]f dilution protection were accorded to trademarks based only on a showing of inherent or acquired distinctiveness, we would upset the balance in favor of over-protecting trademarks, at the expense of potential non-infringing uses," and dilution protection is "the most potent form of trademark protection"); *KST Elec.*, 550 F. Supp. 2d at 674 ("Dilution causes of action, much more so than infringement and unfair competition laws, tread very close to granting rights in gross in a trademark.") (*quoting Avery Dennison*, 189 F.3d at 875) (internal quotations omitted).

"In other words, the mark must be a household name," and the TDRA does not "protect trademarks whose fame is at all in doubt." *KST Elec.*, 550 F. Supp. 2d at 674, 679 (*quoting Barton Beebe, A Defense of the New Federal Trademark Antidilution Law*, 16 FORDHAM

INTELL. PROP. MEDIA & ENT. L.J. 1143, 1158 (2006) and *citing* 4 J. THOMAS McCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:104 (4th ed. 2008)); *see TCPIP Holding Co., Inc. v. Haar Commc'ns, Inc.*, 244 F.3d 88, 99 (2d Cir. 2001) (famous marks are those such as Dupont, Buick, and Kodak "that for the major part of the century have been household words throughout the United States" are "are representative of the best known marks in commerce").

To prove a dilution claim, Mensa must show that (1) the Mensa Mark is famous and distinctive; (2) the Defendants use a mark in commerce that is diluting the Mensa Mark; (3) similarity between the ADMENSA mark and the Mensa Mark gives rise to an association between them; and (4) the association is likely to impair the distinctiveness of the Mensa Mark or likely to harm its reputation. *Louis Vuitton*, 507 F.3d at 264-65. The Defendants seek summary judgment based on Mensa's failure to prove the Mensa Mark's fame.

A "mark is famous if it is widely recognized by the *general consuming public* . . . as a designation of source of the goods or services of the mark's owner." § 1125(c)(2)(A) (emphasis added).¹⁷ The TDRA increases the threshold of fame, and thus

¹⁷ The requirement that a mark be famous to the "general consuming public," rather than only a niche market, was one of the main revisions of the TDRA. *KST Elec.*, 550 F. Supp. 2d at 678; *Phase Forward Inc. v. Adams*, No. 05-4232, 2008 WL 340951, at *1 (N.D. Cal. Feb. 5, 2008); *see Vista India v. Raaga, LLC*, 501 F. Supp. 2d 605, 623-24 (D.N.J. 2007) ("Under the standard of whether a mark is famous, the question is whether the mark is

denies protection for marks that are famous only in niche markets. *Dan-Foam A/S v. Brand Named Beds, LLC*, 500 F. Supp. 2d 296, 307 n.90 (S.D.N.Y. 2007); *Componentone, L.L.C. v. Componentart, Inc.*, No. 02:05-1122, 2007 WL 4302108, at *1 (W.D. Pa. Dec. 6, 2007); *Milbank Tweed Hadley & McCloy LLP v. Milbank Holding Corp.*, No. 06-187, 2007 WL 1438114, at *5-6 (C.D. Cal. Feb. 23, 2007). District courts should, when possible, determine whether a mark is famous and thus able to acquire dilution protection. *Savin Corp. v. Savin Group*, 391 F.3d 439, 450 (2d Cir. 2004). A plaintiff can survive summary judgment by showing "more than a mere scintilla of evidence of fame." *Id.* (district court properly denied defendant's motion for summary judgment on fame issue when plaintiff spent over \$20 million on advertising and earned \$675 million in revenues in one year, and was regularly featured in magazines).

To determine whether a mark is famous, the Court considers factors including: (1) the scope and geographic reach of advertising and publicity of the mark; (2) the volume and geographic reach of sales of goods or services offered under the mark; (3) actual recognition of the mark; and (4) where the mark

well-known throughout the country by the general consuming public, regardless of the relevant consuming public.") (emphasis in original); 4 MCCARTHY, *supra*, § 24:104 ("The 2006 version of the . . . TDRA is more rigorous in its test for fame than was the original 1996 Act.") (internal quotations omitted).

is registered.¹⁸ § 1125(c)(2)(A).

1. Advertising and Publicity

Although not required to show fame, a large advertising budget evidences a mark's notoriety. See *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 635 (9th Cir. 2008) (\$350 million spent in advertising the HOT WHEELS mark supported finding of fame); *Hershey Co. v. Art Van Furniture, Inc.*, No. 08-14463, 2008 WL 4724756, at *14 (E.D. Mich. Oct. 24, 2008) (Hershey chocolate mark is famous, in part because it spends "tens of millions of dollars annually to maintain and promote its products"); *V Secret Catalogue, Inc. v. Moseley*, 558 F. Supp. 2d 734, 744 (W.D. Ky. 2008) (Victoria's Secret spent \$454 million in advertising in 2006); *Visa Intern. Serv. Ass'n v. JSL Corp.*, 533 F. Supp. 2d 1089, 1096 (D. Nev. 2007) (Visa spent more than \$1 billion on advertising in the U.S. each year from 1997-2000); *Nike, Inc. v. Nikepal Intern., Inc.*, No. 2:05-1468, 2007 WL 2782030, at *5 (E.D. Cal. Sep. 18, 2007) (Nike mark is famous in part because it spent more than \$1 billion to promote its products in the U.S.).

Similarly, a small advertising budget can lead to a finding that a mark is not famous. See *GMA Accessories, Inc. v. Croscill, Inc.*, No. 06-6236, 2008 WL 591803, at *10 (S.D.N.Y.

¹⁸ The Mensa Mark is registered multiple times for different uses on the PTO's Principal Register. Def.'s Ex. 26. Thus, the fourth factor--location of the mark's registration--is not genuinely disputed and favors Mensa.

Mar. 3, 2008) (\$17,000 spent in advertising over eleven years leads to a finding of no fame). As noted above, Mensa spent only \$7,000-\$22,000 a year on advertising from 2003-2007. Def.'s Ex. 9. Mensa admits it spends very little on advertising, but argues that it is famous.

Other types of publicity, such as appearances in the media, also show fame. See *KST Elec.*, 550 F. Supp. 2d at 677-78 (University of Texas Longhorns logo displayed in countless sporting events--including some very highly rated--on television). As noted above, Mensa has provided evidence of its numerous appearances on television, in movies, and in magazines and newspapers. See *supra* Section II.B.1.b. Mensa's other recognition includes holding annual gatherings of between 1,500-2,400 people, Def.'s Ex. 18, Pamela Donahue Dep. 125:6-125:11, May 29, 2008, and publishing a bulletin that goes primarily to its members, and a research journal with a circulation of 2,500 per issue that is open to the public. *Id.* 95:17-96:5.

2. Volume and Reach of Sales

A large volume of sales and high revenues therefrom also show a mark's fame. See *Jada Toys*, 518 F.3d at 635 (three billion HOT WHEELS units sold); *V Secret Catalogue*, 558 F. Supp. 2d at 743-44 (over 1,000 Victoria's Secret stores in the U.S., and 2006 sales revenues exceeded \$4.9 billion); *KST Elec.*, 550 F. Supp. 2d at 678 (University of Texas products retail sales of

nearly \$400 million in 2005-2006); *Visa Intern. Serv. Ass'n*, 533 F. Supp. 2d at 1096 (sales involving Visa cards totaled \$1.3 trillion in 2006, there are 503 million Visa cards in the U.S., and Visa is accepted at 6.3 million locations); *Nike*, 2007 WL 2782030, at *5 (Nike sales exceeded \$1 billion per year).

On the other hand, small revenues cast doubt on a mark's fame. See *Argus Research Group*, 562 F. Supp. 2d at 282-83 (denying summary judgment "[i]n an abundance of caution" and casting doubt on plaintiff's ability to succeed because its revenues were less than \$20 million annually and were "substantially less" than other famous marks); *GMA Accessories*, 2008 WL 591803, at *10 (revenues of less than \$3 million a year leads to finding of no fame).

Mensa's licensing revenue averaged \$23,000 a year from 2003-2004. Def.'s Ex. 8. Mensa does not dispute that its sales are significantly less than those of companies in prior cases. It contends, however, that its "primary objective is to satisfy its responsibilities to its members and not to sell products." Pl.'s Opp. at 15-16.

3. Actual Recognition

The TDRA is "a rigorous and demanding test" and "requires that the mark be widely recognized by the general consuming public." 4 MCCARTHY, *supra*, § 24:106. As a result, surveys for famous marks should reveal actual recognition at approximately 75

percent of the general public. *Id.* Although the Court does not require a bright line percentage of survey responses, nor consider McCarthy's opinion binding, it is persuasive and reflects results in other cases. See *Visa Intern. Serv. Ass'n*, 553 F. Supp. 2d at 1097 (99 percent of survey respondents were aware of Visa credit cards); *7-Eleven, Inc. v. Lawrence I. Wechsler*, 2007 WL 1431084, at *14 (T.T.A.B. 2007) (73 percent of respondents knew of BIG GULP mark); *The Nasdaq Stock Mkt. v. Antarctica, S.R.L.*, 2003 WL 22021943, at *12 (T.T.A.B. 2003) (80 percent awareness in plaintiff's stock market).

Mensa correctly argues that direct evidence of recognition through survey responses is not required. See *McNeil Consumer Brands, Inc. v. U.S. Dentek Corp.*, 116 F. Supp. 2d 604, 607 (E.D. Pa. 2000) (opponent does not contest that Tylenol is famous); *Am. Express Co. v. CFK, Inc.*, 947 F. Supp. 310, 315 (American Express's "Don't leave home without it" slogan is "widely recognized throughout the world" despite lack of survey). However, Mensa is not a "household name," *KST Elec.*, 550 F. Supp. 2d at 679, like American Express and Tylenol. Rather, it admittedly and proudly accepts as members only very intelligent individuals, and allows certain third parties to use the Mensa name on its products. Mensa does not have nearly the same level of notoriety as the companies with which it compares itself. Mensa's expert's study revealed that 59 percent of

respondents had heard the term "mensa" before. Def.'s Ex. 3. That 59 percent of respondents had heard of Mensa does not answer the inquiry. The TDRA states that a mark is famous if it is recognized by the public "as a designation of source of the goods or services of the mark's owner." § 1125(c)(2)(A). Thus, the relevant question is how many respondents identified the Mensa Mark as representing the goods and services that Mensa actually provides. The survey respondents' only significant association of the Mensa Mark was to denote intelligence, and a high IQ group. Def.'s Ex. 3.

In sum, the TDRA significantly increased the difficulty of proving a dilution claim by requiring a mark to be famous to the general public. Unless a mark is a "household name" whose fame is not at all in doubt, it cannot support a dilution claim. *KST Elec.*, 550 F. Supp. 2d at 679 (University of Texas's longhorn logo, which has been repeatedly shown in the media, is not a household name--like Buick or Kodak--that can withstand summary judgment). Although Mensa has been mentioned in the media, it has spent little money on advertising and receives little revenue. It is not a household name like those marks that have earned dilution protection, such as Hershey's, Nike, Visa, and American Express.¹⁹ Given the evidence, judgment must be granted

¹⁹ Other successful household name marks cited above include Victoria's Secret, Mattel, 7-Eleven, Nasdaq, and Tylenol.

to the Defendants on Mensa's dilution claim.

D. Motion to Amend Scheduling Order

Mensa seeks to modify the Scheduling Order to reopen discovery for the purpose of deposing Inpharmatica's custodian of records to establish the admissibility of business records.

Inpharmatica responds that the Scheduling Order should not be amended because it will be prejudiced, and Mensa was not diligent in discovery.

Federal Rule of Civil Procedure 16 provides that a scheduling order may be modified "only for good cause and with the judge's consent." Fed. R. Civ. P. 16(b)(4). Rule 16's good cause standard focuses on the diligence of the movant. *Rassoull v. Maximus, Inc.*, 209 F.R.D. 372, 374 (D. Md. 2002); *Potomac Elec. Power Co. v. Elec. Motor Supply, Inc.*, 190 F.R.D. 372, 375 (D. Md. 1999). If the movant was not diligent, the inquiry should end. *Rassoull*, 209 F.R.D. at 374.

Mensa deposed Inpharmatica's custodian of records on June 18, 2008. Thereafter, on June 25, 2008, Inpharmatica produced thousands of additional documents; Mensa was unable to depose the custodian on those records. Approximately 60 percent of the records about which Mensa now seeks to depose the custodian were produced before the June 25 deposition. Mensa has not provided a valid explanation for its failure to depose the custodian on those records. Obviously, Mensa could not have deposed the

custodian on the records produced after his deposition. Because Mensa did not fail to exercise diligence with regard to the later-produced documents, it should have an opportunity to depose Inpharmatica's custodian about them. Thus, discovery will be reopened for the limited purpose of permitting Mensa to depose Inpharmatica's custodian on the belatedly-produced documents.

III. Conclusion

For the reasons discussed above, the Defendants' motion for summary judgment will be granted in part and denied in part, and Mensa's motion to amend the scheduling order will be granted.

November 6, 2008

Date

/s/
William D. Quarles, Jr.
United States District Judge